

The Ohio State University
Board of Trustees

POLICY ON PURCHASING AND COMPETITIVE BIDDING

1. Under the direction of the senior vice president for business and finance, the director of purchasing shall have the responsibility and requisite authority for the purchase of equipment, materials, supplies, and services for the university.
2. Unless otherwise provided, all equipment, materials, supplies, and services shall be purchased through the solicitation of competitive bids or proposals except in the following instances:
 - A. Where such equipment, materials, supplies, or services are purchased pursuant to Sections 153.71, 4115.31 to 4115.35 and 5147.07 of the Revised Code or Rule 153:1-1-02 of the Administrative Code, as amended; or
 - B. Where the purchase of equipment, materials, supplies, services, or any combination of services, equipment, materials, and supplies, is less than \$75,000; or
 - C. Where the purchase is pursuant to Rule 153:1-9-01 of the Administrative Code, as amended, and is for the construction, addition, alteration, structural or other improvements of a university building or structure.

The above threshold amounts notwithstanding, the university may require competitive bidding for purchases below these threshold amounts if it determines that such bidding is in the best interest of the university. Contracts shall be awarded to the lowest responsible and responsive bidder. In accordance with policies and procedures established by the Office of Business and Finance, the university may accept or reject any or all bids or proposals in whole or by item. For any contract authorized by the university's policy on purchasing, the university is authorized to make multiple awards as provided for in the university's request for bids or proposals. Documents which do not commit the university to any purchase, and which establish pricing for future purchases are not considered "contracts" within the scope of this policy until the process for approval of the spend has been initiated.

3. The president and/or senior vice president for business and finance, or his or her designee, may grant a waiver from competitive bidding when he or she determines that a sufficient economic reason exists, or that the equipment, materials, supplies, or services can be purchased only from a single supplier ("sole source"). A waiver from competitive bidding may be granted when the president and/or senior vice president for business and finance, or his or her designee, determines that an emergency exists, but because time is of the essence in such a circumstance, this waiver may be obtained subsequent to the necessary purchase and the resolution of the emergency, and then recounted to the president and/or senior vice president for business and finance, or his or her designee in the annual waiver report.
4. The president and/or senior vice president for business and finance, or his or her designee, may grant a waiver from competitive bidding when he or she determines that the services to be purchased are technical and specialized consulting services that are temporary in nature and there are sufficient economic reasons to support such a waiver and where such terms and conditions are in the best interest of the university. The exercise of this authority shall be subject to the oversight authority of the senior vice president for business and finance.
5. The president and/or senior vice president for business and finance, upon recommendation of the appropriate university office responsible for university collections and with any necessary budgeting approval, is authorized on behalf of the university, on a continuing basis, to purchase (including through the commissioning of such work or objects), without competitive bidding, objects of fine or decorative art or other objects to be collected for and on behalf of the university, from funds authorized for such purposes, upon such terms and conditions as are deemed to be in the best interest of the university, but not to exceed \$1 million per artwork or collection based on an appraisal (or appraisals) acceptable to the university.
6. The president and/or senior vice president for business and finance is authorized on behalf of the university, on a continuing basis, to purchase, without competitive bidding, equipment, materials,

supplies, or services through any non-profit or governmental agencies or consortia (including but not limited to the Inter-University Council Purchasing Group) whose contracts meet the competitive bidding requirements as determined by the university, upon such terms and conditions as are in the best interest of the university.

7. The president and/or senior vice president for business and finance is authorized on behalf of the university, on a continuing basis, to enter into agreements, without competitive bidding, for entertainment acts, performers, and artists, and their selected, required, or contractually mandated promoters or associated vendors, as scheduled by various university departments, upon such terms and conditions as are in the best interest of the university.
8. The president and/or senior vice president for business and finance, in consultation with the vice president for research, is authorized on behalf of the university, on a continuing basis, to negotiate and to enter into, without competitive bidding, agreements, including purchase agreements, as are necessary or desirable to acquire, finance, install, equip, maintain, operate, and update current generation and subsequent new generation supercomputing equipment developed by or for use with Cray Research, Inc. supercomputing equipment.
9. In accordance with Section 5513.01(B) of the Revised Code, the president and/or senior vice president for business and finance is authorized on behalf of the university, on a continuing basis, to purchase, without competitive bidding, through Ohio Department of Transportation agreements, machinery, materials, supplies or other articles upon such terms and conditions that are in the best interest of the university.
10. The president and/or senior vice president for business and finance is authorized on behalf of the university, on a continuing basis, to purchase, without competitive bidding, books, periodicals, and other related items for the University Libraries' collections.
11. In compliance with Section 125.081 of the Revised Code and any applicable court decisions, the university shall set aside a number of purchases each year for bidding by certified minority businesses only. The bidding procedures for such contracts shall be the same as for all other contracts except that: (i) only minority business enterprises certified by the State of Ohio Equal Employment Opportunity Coordinator shall be qualified to submit bids; and (ii) the cost of products and services may not exceed the estimated market price by more than approximately 10%. If bids are rejected because of this cost consideration, the purchase shall be offered again for bid by all interested vendors in accordance with standard bidding procedures.
12. Notwithstanding any other provision of this policy on purchasing, the vice president of health services shall have the responsibility and requisite authority for the purchase of equipment, materials, supplies, and services for the hospitals of the university and their related facilities, in accordance with this University Purchasing Policy. The exercise of this authority by the vice president of health services shall be subject to the oversight authority of the senior vice president for business and finance who shall review the application of this delegation of authority every three years.

The authority granted to the vice president for health services may be sub-delegated to the medical center chief supply chain officer. The exercise of this sub-delegated authority by the supply chain chief supply chain officer shall be subject to the oversight authority of the vice president for health services who shall review the application of this sub-delegation of authority every three years, in conjunction with the review of the delegation granted by the senior vice president for business and finance to the vice president for health services.

13. The president and/or senior vice president for business and finance is authorized on behalf of the university, on a continuing basis, to purchase without competitive bidding, equipment, materials, supplies, or services through the University Hospital Consortium, Inc., or from its successor organization that is a member-based group purchasing organization servicing hospitals and health care providers, upon such terms and conditions as are in the best interest of the university.

The president and/or senior vice president for business and finance is authorized on behalf of the university, on a continuing basis, to purchase without competitive bidding, equipment, materials, supplies, or services through the Hospital Helicopter Consortium of Central Ohio, or from its successor organization that is an accredited medical transport and member-based organization that

provides critical care, emergency air transportation to its pre-hospital and hospital members, upon such terms and conditions as are in the best interest of the university.

Similarly, the president and/or senior vice president for business and finance is authorized on behalf of the university, on a continuing basis, to purchase without competitive bidding, equipment, materials, supplies, or services from an organization that is an accredited medical transport and member-based organization that provides critical care, emergency ground transportation to pre-hospital or hospital members, upon such terms and conditions as are in the best interest of the university.

14. The president and/or senior vice president for business and finance is authorized, on behalf of the university, on a continuing basis, to negotiate and enter into agreements, to purchase services for blood and organ products for transplantation, without competitive bidding, upon such terms and conditions as are in the best interest of the university.
15. The president and/or the senior vice president for business and finance is authorized on behalf of the university to employ reverse auctioning procurement methods for the purchase of goods and services, in accordance with the competitive bidding requirements as determined by the university.
16. The president and/or senior vice president for business and finance is authorized on behalf of the university, on a continuing basis, to purchase without competitive bidding, equipment, materials, supplies, or services through participation in the state of Ohio term schedules in which the vendor guarantees that the state will receive the lowest price as offered to the federal government and in which the vendor agrees to accept all of the state's terms and conditions.
17. The president and/or senior vice president for business and finance is authorized on behalf of the university, on a continuing basis, to purchase without competitive bidding, the renewal of licenses and maintenance agreements for existing mission-critical enterprise-wide software applications, upon such terms and conditions as are in the best interest of the university.
18. The president and/or senior vice president for business and finance is authorized on behalf of the university, on a continuing basis and without competitive bidding, to negotiate and enter into real estate lease agreements in accordance with existing university procedures, upon such terms and conditions as are in the best interest of the university.
19. The president and/or senior vice president for business and finance is authorized on behalf of the university, on a continuing basis, to purchase without competitive bidding, municipally based and other single-source supplies of utility services, upon such terms and conditions as are in the best interest of the university.
20. The president and/or senior vice president for business and finance is authorized on behalf of the university, on a continuing basis, to purchase without competitive bidding and in support of the mission of WOSU Public Media, products and services available solely through the Public Broadcast Service, National Public Radio and the National Program Service (including but not limited to programming fees and promotional products), upon such terms and conditions as are in the best interest of the university.
21. The president and/or senior vice president for business and finance is authorized on behalf of the university, on a continuing basis, to purchase without competitive bidding, necessary services for authorized student exchange programs with other institutions of higher education, upon such terms and conditions as are in the best interest of the university.
22. The president and/or senior vice president for business and finance is authorized, on behalf of the university, on a continuing basis, to negotiate and enter into agreements to purchase physician services in support of the University Health System, without competitive bidding, upon such terms and conditions are in the best interest of the university.
23. The president and/or senior vice president for business and finance is authorized, on behalf of the university, on a continuing basis, to purchase without competitive bidding, pharmaceuticals that have been recommended for use by the university's pharmacy and therapeutics committee and that are: (i) covered by a legal patent and are not available for generic purchase, (ii) distributed only through

a single provider and are unavailable for purchase through any other source, or (iii) purchased pursuant to the wholesale acquisition cost, as defined in 42 USC § 1395w-3a(c)(6), as amended.

24. Only the president and/or senior vice president for business and finance is authorized, on behalf of the university, on a continuing basis, to negotiate and enter into agreements, to engage in and sign agreements with various financial institutions and advisors relating to financial consulting services, banking, brokerage, leasing, asset financing, and related financial services without competitive bidding, upon such terms and conditions are in the best interest of the university.
25. A report of all contracts or purchases for goods or services for which competitive bidding is waived shall be provided to the Board of Trustees on an annual basis. The content of the report, as well as its parameters (calendar or fiscal year), is within the discretion of the president and/or senior vice president for business and finance.

This policy is subject to additional rules, as may be applicable, and applies to all funds administered by the university and applies to the purchases of all products and services that are not conditions of existing contracts that have been previously negotiated and competitively bid. Also, this policy applies only to purchases of products and services acquired from outside the university and its affiliates.

26. The president and/or senior vice president for business and finance is authorized, on behalf of the university, on a continuing basis, to purchase without competitive bidding, equipment, materials, or supplies that are intended for use in research trials, where the use of particular equipment, material, or supply is necessary for the purpose of the research trial and are, for this purpose, inherently sole source purchases.
27. The president and/or senior vice president for business and finance is authorized, on behalf of the university, on a continuing basis, to purchase without competitive bidding, goods which are intended for resale to the general public in hospital retail gift shops.
28. The president and/or senior vice president for business and finance is authorized, on behalf of the university, on a continuing basis, to purchase without competitive bidding, services that are central to the mission and essential to the operation of the university when those services are provided by other not-for-profit organizations, not-for-profit associations, not-for-profit accreditation organizations, or governmental entities, which are inherently non-competitively sourced.
29. The president and/or senior vice president for business and finance is authorized, on behalf of the university, on a continuing basis, to purchase without competitive bidding, a product, device, or consumable that: (i) is purchased on the basis of medical appropriateness and suitability for patient (i.e., medical, dental, ophthalmic, veterinary, or similar) care and treatment, (ii) is required as specified for use within equipment made by an original equipment manufacturer, or (iii) has been evaluated and determined by an appropriate hospital committee as either:

- A. The only product or device available on the market that is medically appropriate for the treatment of a specified condition and, therefore, is the best option for such treatment; or
- B. Upon consideration of the totality of the committee review standards, the most medically appropriate product or device for the treatment of the specified condition and the best for such treatment.

In making the above subsection (iii) determination, the committee will have considered, as appropriate and applicable, evidence-based results; product effectiveness, ease of use, durability, and compatibility; patient and clinician safety; impact on patient and clinician satisfaction; infection control effectiveness; and financial analyses, such as procedure reimbursement and impact on contribution margins. The committee will retain appropriate documentation of its determination.